

of the contract, is a very valuable concession. If necessary to discontinue the service for want of support, the experiment has cost the colony nothing; if the service is to be continued, sufficient business must have been promoted and established to warrant the continuation of the service, and the object of the Government is accomplished. The alternative tender is advantageous to the extent of £812, which is the amount of interest at five per cent. which would be saved by paying £30,000 in one sum at the end of twelve months as against monthly payments of £2,500.

After having carefully examined the different tenders I recommend the acceptance of the New Zealand and African Steamship Company's alternative tender.

T. E. DONNE, Secretary.

The Hon. the Minister of Industries and Commerce.

Interpretation of cablegram from the AGENT-GENERAL, London, to the Hon. the ACTING-PREMIER, Wellington.

(Dated London, 1st October, 1902; Received Wellington, 2nd October, 1902.)

SOUTH AFRICAN steam-service:—Following offers here: Firstly, Clan Line: £2,000 per voyage between New Zealand, Fremantle, and South Africa, on general line of your advertisement. Secondly, Furness-Withy again tender apparently offering four Gulf steamers, subsidy, £2,500. Shall I cable details of tender? Thirdly, Federal and Houlder's jointly state that they are prepared to renew their previous tender. Fourthly, Sleight repeats his tender 11th February, with necessary modifications.

Interpretation of Cablegram from the Hon. the ACTING-PREMIER, Wellington, to the AGENT-GENERAL, London.

(Dated Wellington, 2nd October, 1902.)

IN reply to your wire of the 1st., telegraph such particulars as you consider necessary to enable Government to decide; also when prepared to berth first steamer, what accommodation prepared provide for live-stock; also if steamers already insulated and refrigerated and to what extent.

J. G. WARD.

Interpretation of Cablegram from the AGENT-GENERAL, London, to the Hon. the ACTING-PREMIER, Wellington.

(Dated London, 3rd October, 1902; received 3rd October, 1902.)

IN answer to your telegram of 2nd October:—Firstly, Clan Line give no further details. I will endeavour to ascertain them. Secondly, Furness-Withy's four steamboats, about five thousand tons dead weight: rate of steaming, eleven–twelve knots. Could start at once between New Zealand, South Africa, calling Fremantle, with accommodation for twenty saloon passengers. Would fit up for live-stock; Government of New Zealand to pay light dues when coaling Westport; maximum cargo Fremantle and rate of freight in conformity with advertisement; settlement of dispute under New Zealand Arbitration Act. If warranted good result, willing to build new steamboats, sureties Furness and McArthur same as before. I am endeavouring to ascertain for certain if steamboats now offering by Furness-Withy are the Gulf steamboats previously offered by them as well as by Sleight, which were rejected by New Zealand Government. Thirdly, tender which Federal state that they prepared renew went by mail 13th September. Fourthly, modifications in respect of Sleight's tender enclosure in my despatch 456, 14th February, are as follows: Speed, eleven knots; penalty, bonus, and coaling in conformity with advertisement; live-stock 100; and could make beginning in six weeks with insulated steamboats.

FROM W. AND A. MCARTHUR AND Co. (LIMITED), Sydney, to the Hon. the ACTING-PREMIER, Wellington.

(Dated Sydney, 26th September, 1902; received September, 1902.)

WE are posting to-morrow, being first opportunity, tenders for South African steam service. Shall we disclose details by wire, or will you await receipt of tender?

W. AND A. MCARTHUR (LIMITED).

FROM the Hon. the ACTING-PREMIER, Wellington, to Messrs. W. and A. MCARTHUR AND Co. (LIMITED), Sydney.

(Dated Wellington, 26th September, 1902.)

YOUR advice that tender posted is sufficient. It will be received on arrival, provided, of course, it is in order.

J. G. WARD.

SIR,—

13 and 15 Macquarie Place, Sydney, 26th September, 1902.

WE beg to tender for the New Zealand–South African steam service, for which tenders are at present being called by your Government.

WE have four (4) large steamers available that could in the main carry out the conditions required. They are vessels of a deadweight capacity of 4,400 tons each, including bunkers, and of a measurement capacity of, say, 4,900 tons of 40 cubic feet, including refrigerator-space to the equivalent of 42,000–45,000 carcasses of sheep—according to size. Limited passenger-accommodation could be arranged. Deck-space could be utilised for the carriage of live-stock, provided steerage passengers were not carried. The steamers are capable of steaming eleven (11) knots under ordinary conditions. The first steamer could be available in about a week's time from notification of acceptance of our tender (the vessel is being detained in Australian waters in view of our tender being successful).